



NEWS RELEASE

U.S. ARMY CORPS OF ENGINEERS

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Corps to Review Cost Estimate for Olmsted Locks and Dam

Cincinnati, OH - The U.S. Army Corps of Engineers announced today it will review the cost estimate for Olmsted Locks and Dam. A recent analysis of actual progress over the past year in the fabrication and in river placement of massive concrete shells weighing 3,500 tons indicated that the total project cost estimate may need to be revised upward by a significant margin over the previous estimate of \$2.1 billion.

"It is important that the Corps leverage our recent experience fabricating and placing the dam shells, in order to increase confidence in our cost estimate", said Maj. Gen. John Peabody, Commander, U.S. Army Corps of Engineers, Great Lakes and Ohio River Division. "We will prepare a new Independent Government Estimate and an independent review of cost control and contract management practices to ensure we are doing everything possible to effectively manage this challenging project."

The Olmsted Locks and Dam project is the largest single locks and dam project in the history of the U.S. Inland Marine Transportation System. The project's annual estimated benefits, using the 2011 price level, are nearly \$800 million. Located at a vital hub on the inland waterways system, this location sees approximately 81 million tons of waterborne commerce annually. Upon completion, Olmsted will replace Locks and Dams 52 and 53, both built in the late 1920s, which are in an extremely deteriorated condition, and at high risk of failure.

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